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AM-CHINAARMS 7-1

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BY JIM ANDERSON

WASHINGTON (UPI) -- AFTER MONTHS OF SECRET NEGOTIATIONS WITH CHINA, THE STATE DEPARTMENT HAS PROPOSED AN EVENTUAL END TO THE SALE OF U.S. ARMS TO THE GOVERNMENT OF TAIWAN, CAPITOL HILL SOURCES SAID THURSDAY.

ACCORDING TO THE PROPOSAL, THE DECISION WILL BE ANNOUNCED IN A JOINT COMMUNIQUE FROM BOTH PEKING AND WASHINGTON, AS A CONCESSION TO TAIWAN. THE SOURCES SAID, THE UNITED STATES WILL RENEW AND BROADEN CERTAIN PARTS OF THE CO-PRODUCTION ARRANGEMENT WHERE F-5-ES ARE MANUFACTURED IN TAIWAN.

THE SOURCES SAID THAT THE STATE DEPARTMENT HAS PROPOSED TWO OPTIONS TO BE PRESENTED TO THE PRESIDENT IN A POLICY PAPER NEXT WEEK:

--THE FIRST, MORE VAGUE, OPTION IS TO RENOUNCE "ANY LONG-TERM AGREEMENT" FOR THE SALE OF ARMS TO TAIWAN. IT IMPLIES AN END TO THE ARMS SALES, BUT IS EXTREMELY GENERAL ABOUT THE TERMINATION DATE.

--THE SECOND IS A U.S. PLEDGE "TO REDUCE GRADUALLY SUCH SALES AND TO EVENTUALLY TERMINATE THEM." IT IS ALSO VAGUE, BUT IS PREFERRED BY PEKING AS A MORE FIRM COMMITMENT TO EVENTUALLY END THE ARMS RELATIONSHIP.

THE TWO OPTIONS WERE DISCUSSED WITH ABOUT 15 MEMBERS OF CONGRESS THIS WEEK BY NATIONAL SECURITY ADVISER WILLIAM CLARK, ACCORDING TO THE SOURCES. SOME OF THEM, INCLUDING SEN. BARRY GOLDWATER, R.-ARIZ., HAD OBJECTED TO EITHER OPTION. HE SAID THEY WERE A REVERSAL OF THE 1979 STATEMENT IN WHICH THE UNITED STATES ANNOUNCED DIPLOMATIC RELATIONS WITH THE PEKING REGIME, WHILE BREAKING RELATIONS WITH TAIWAN BUT ALSO PLEDGING TO CONTINUE TO SUPPLY DEFENSE ARMS FOR AN UNSPECIFIED PERIOD OF TIME.

THE SOURCES SAID THAT THE PROPOSED OPTIONS WERE DISCUSSED WITH THE CHINESE LEADERS IN PEKING BY VICE PRESIDENT GEORGE BUSH DURING HIS RECENT TRIP THERE.

THE STATE DEPARTMENT, ACCORDING TO THE SOURCES, WILL PROPOSE THAT THE DECISION BE ANNOUNCED IN A JOINT COMMUNIQUE, WHICH HAS BEEN THE USUAL FORM OF POLICY STATEMENTS MADE BETWEEN PEKING AND WASHINGTON.

STATE DEPARTMENT OFFICIALS, TOLD ABOUT THE REPORTS, REFUSED TO COMMENT ON THEM.

THE SENSITIVE ISSUE OF U.S. ARMS SALES TO TAIWAN HAVE LED, IN THE LAST YEAR, TO SEVERE STRAINS IN RELATIONS BETWEEN PEKING AND WASHINGTON, WITH THE CHINESE GOVERNMENT AT ONE POINT THREATENING TO DOWNGRADE DIPLOMATIC RELATIONS IF THE ARMS SALES CONTINUED.

AS A RESULT OF THE STRAINS, THE PEKING REGIME HAS NOT TAKEN UP THE U.S. OFFER TO UPGRADE THE SORT OF ARMS THAT IT WOULD BE PERMITTED TO BUY FROM THE UNITED STATES.

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